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NO. 93-1429

IN THE
Supreme Court of the United States
OCTOBER TERM, 1993

CONYERS COMMUNITY CHURCH, INC. AND KENNETH L. CROCKER,

Petitioners,

v.

RAY AND PEGGY STEVENS, DEXTRAL AND ROSALYN AUSTIN, JOHN AND BENNETTA KIKER, RAYMOND W. AND CAROLE KAY FINN, GAIL WOMMACK, AND JERRY DODD,

Respondents.

ON PETITION FOR A WRIT OF CERTIORARI TO THE SUPREME COURT OF GEORGIA

BRIEF OF RESPONDENTS

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QUESTIONS PRESENTED

Respondents totally disagree with the formulation of issues and questions presented, as set forth by Petitioners in this portion of their brief and in the sub-headings of issues throughout their brief. Respondents believe that the true statement of questions presented to this Court is as follows:

1. Is the jurisdiction of this Court properly invoked upon this application for writ of certiorari, when the highest court of the state involved (the Supreme Court of Georgia) has three times declined to review the merits of the case, and where the lower courts relied upon the "neutral principles" test announced by this Court as governing inquiry into church affairs?

2. Does the First Amendment preclude inquiry into the actions of a minister and other members of the governing board of a non-profit corporation, who by fraud and conflict of interest obtained virtual control of all assets of the corporation, because the corporation involved happened to be a church?

3. When a church voluntarily opts for corporate status under the laws of a state and thereby elects to be governed and protected by the state's statutory scheme applicable to non-profit corporations, are the activities of that church in diversion of assets contrary to corporate purposes stated in its articles of incorporation and in violation of significant provisions of the governing state corporate statutory framework, whose governance the church itself had chosen, immune from judicial inquiry by virtue of the First Amendment, solely because the corporation is a church?

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A. PRELIMINARY STATEMENT

Respondents respectfully request that this Court decline to issue the Writ of Certiorari sought by Petitioners.

This is a routine corporate fraud case, in which the governing board through deception, concealment, and other fraudulent activity manipulated its own membership, and the composition and approval of the membership of the corporation, to divert assets from stated corporate purposes and in a manner violative of the state's statutory scheme governing non-profit corporations. The case is distinguished, if at all, from other cases of corporate fraud and insider dealing only by the facts that the corporation involved was a church; the prime mover, manipulator, and beneficiary of the fraudulent activity was the minister of the church; and the church, while clearly not hierarchical, was not congregational either, since the articles of incorporation, by-laws, and governing state statutes provided that the corporation would be governed in most respects by the church's board of directors, also known as trustees, as distinct from the congregation.

As the Georgia Court of Appeals found (Petitioner's Brief, Appendix I), the trial court scrupulously adhered to the neutral principles test developed in *Presbyterian Church in the United States v. Mary Elizabeth Blue Hull Memorial Presbyterian Church*, 393 U.S. 440, 89 S.Ct. 601 (1969) and *Jones v. Wolf*, 443 U.S. 595, 99 S.Ct. 3020 (1979). *See also*, on remand, *Jones v. Wolf*, 244 Ga. 388, 260 S.E. 2d 84 (1979), *cert. denied*, 444 U.S. 1080, 100 S.Ct. 1031 (1980).

The highest court of the state, the Georgia Supreme Court, three times declined in this case to review the decisions of the inferior courts: Upon Petitioners' application for interlocutory appeal from the denial by the trial court of their motion for summary judgment (Petitioners' Brief, A-26, A-27 through A-34); upon transfer of consideration of the appeal after trial by the Georgia Court of Appeals (Petitioners' Brief, A-20, A-21 through A-22); and finally upon application of the Petitioners to the Georgia Supreme Court for a writ of certiorari from the decision of the Georgia Court of Appeals (Petitioners' Brief, A-19). It is respectfully submitted that under ordinary circumstances the very fact that the highest court of a state has so many times declined to review or find fault with the decisions of its inferior courts in application of this Court's decisions strongly suggests that this case does not merit review by this Court.

This case presents nothing novel or noteworthy warranting this Court's consideration. Contrary to Petitioners' contentions, the application of the neutral principles test to the somewhat different organizational format of Conyers Community Church, Inc., scrupulously and cautiously applied by both the trial court and the Georgia Court of Appeals, does not violate the First Amendment, or create a case of first impression, or result in harm to the Petitioners, except to the extent that it thwarted the results of their fraudulent activities.

As this Court noted in *Jones v. Wolf, supra* at 603, 99 S.Ct. at 3025, the neutral principles test is flexible enough to accommodate all forms of religious organizations. That is its value in settlement of property disputes such as the present one. As the statement of facts hereinafter shows, there was simply no inquiry into any aspect of religious doctrine or liturgy involved.

As this Court further recognized in *Maryland and Virginia Eldership v. Church of God at Sharpsburg, Inc.*, 396 U.S. 367, 368, 90 S.Ct. 499, 500 (1970), unless there is a finding of improper inquiry into religious doctrine — which the neutral principles test is designed to avoid — there is a lack of jurisdiction for want of a substantial Federal question.

Petitioners simply have not shown that the state courts deviated from or misapplied controlling constitutional decisions of this Court.

B.
STATEMENT OF THE CASE

This case is about a preacher (Kenneth Crocker) who, upon sale of all property belonging to the church corporation to which he ministered (Conyers Community Church, Inc.), dissolved the church as such and effectively converted all assets and money to his own use. He did this by a pattern of manipulation of the governing board and its membership, and the membership of his congregation. He misstated, even forged, purported board and congregation meeting minutes

(e.g., ¶3, Defendants' Exhibit 15; Defendants' Exhibit 19, T. Vol. VI).[1] He concealed relevant facts and misrepresented others; he had secreted funds for his own use for a number of years. Although Crocker and the corporation were the only named defendants (the only entities holding church assets), Respondents alleged that Crocker, abetted by the other two members of the then purported governing board (Ron Jansen, Crocker's son-in-law, and Robert Withers, a "yes-man," see T. 547), perpetrated fraud, acted in conflict of interest, and breached his fiduciary duty to the church. The jury so found.

At first blush, the verdict (R. 612-13) seems to support the conclusion that Crocker won more than he lost, but not so. A careful reading of the record will show that Crocker was allowed to keep those assets, and only those assets, about the disposition of which the church membership including Respondents (whether all were members or not) were fully informed and to which the Respondents did or would have consented — to wit, a portion of the corporate debt to Crocker reflected by a second mortgage on the church property (Defendants' Exhibits 6, 8, 63, 82, 23, T. Vol. VI), the parsonage with the debt paid off by the corporation, and a retirement "gift" of $100,000.00 for love and affection (T. 563). *All* other assets of the corporation remaining after dissolution were awarded to Respondents — not for their own benefit, but for distribution by the trial court in accordance with purposes consistent with the corporate charter. And as against the moneys awarded to Crocker, the jury found for the Respondents on the issue of attorney's fees

[1] References are to the trial transcript, record, and exhibit numbers.

and litigation costs in the amount of $30,000.00, due to his aggravated conduct.

Conyers Community Church, Inc. was incorporated as a completely independent church on December 30, 1976 (Defendants' Exhibit 1, T. Vol. VI). The charter provided that all corporate affairs would be entrusted to a board of trustees (directors), not less than three nor more than twelve in member, who would serve for indefinite terms and which board would itself determine its own membership, electing or removing members by majority vote (*id.*, ¶5). Crocker, Respondent Ray Stevens, and Crocker's brother were named as the initial board (*id.*, ¶8).

This board was constituted of an even number plus the pastor (Crocker), who was to remain a permanent member, and its membership was to be determined by pastoral appointment, ratified by the church (not board) membership. A so-called "board of trustees," subject to the pastor or directors, would do nothing more than hold church property (compare Defendants' Exhibit 1, ¶s 5 and 6, with Defendants' Exhibit 2, ¶s 4 and 5, T. Vol. VI; T. 456).

By 1984 at least, Crocker had so manipulated and/or ignored these corporate grants of authority (see T. 456-58) as to declare himself totally in charge of all corporate as well as church affairs (extending his stated spiritual authority, Defendants' Exhibit 2, ¶5, to all temporal matters) and relegating the governing board to an advisory capacity only (Defendants' Exhibit 15, ¶s 3, 5, 6, T. Vol. VI; see T 469-70).

On December 13, 1987, Crocker unilaterally (T. 422) declared all church offices vacant, including membership

on all boards, in conflict with both the articles of incorporation and the by-laws (Defendants' Exhibit 19, T. Vol. VI). He specified that new board members would be appointed by him and ratified by the church membership (consistent with the by-laws, but inconsistent with the articles); he also specified requirements for membership on the board of directors not stated in any of the corporate documents, including a willingness to "create and implement a retirement program for the Pastor and his wife." Crocker than "appointed" four members to the governing board. (These four, but not Jansen, would be eventually "approved" as board members by church membership vote at a meeting on January 14, 1988. Plaintiffs' Exhibit 889, T. Vol. VI. Jansen was only a deacon.) Respondents contended at trial that from at least this point forward, the corporation had no legitimate governing board.

Handwritten marginal notes by Crocker on the December 13 minutes indicate that not all offices were vacant, but that Withers and Jansen "remained" trustees (Defendants' Exhibit 19, T. Vol. VI). Later, in minutes of a purported meeting held February 20, 1988, Ron Jansen along with the four members allegedly appointed by Crocker on December 13, 1987, were declared all to be "trustees and members of the Board of Directors of Conyers Community Church, Inc." Defendants' Exhibit 25, T. Vol. VI). However, these later minutes were not signed by the board members as earlier minutes had been. Respondent Ray Stevens testified that the handwritten notes by Crocker on the December 13 minutes did not appear on the typed minutes when signed by the purported board, did not reflect what in fact occurred at the meeting, that Jansen (who had moved to Ohio) was

not a member of either board, that his appointment to the board (if it ever took place) was never ratified by the board membership or the church membership, and that both the handwritten marginal notes and the February 20 minutes were, in effect, forgeries (T. 466-67; 471, 475, 481, 484).

After early 1988 and before the critical decision to sell the church property and make disposition of the proceeds in late 1989 and early 1990, the evidence shows that Neil Allen effectively resigned as a board member (he moved away) and Robert Mitchell was either "removed" or resigned over a disagreement with Crocker (T. 507-09; 516-18). If and to the extent that any board then existed, this left Ray Stevens, Bob Withers, Crocker and (according to Crocker and Jansen) Jansen on the board. Thereafter, Ray Stevens was forced out over disagreements with Crocker, largely due to Crocker's refusal to return a borrowed piano, which Crocker claimed was a gift but which the owner claimed was only a loan (T. 1552-53; Plaintiffs' Exhibit 86, T. Vol. VI).

This left, at best, a board (if any existed) consisting of Crocker, his son-in-law Jansen, and Withers, who was not about to disagree with Crocker and raised no conflict of interest issue in the subsequent purported board action in favor of Crocker (T. 1410-11, 1594). The jury was authorized to find, even if Crocker and Withers belonged on a board, that Jansen did not, such that the board had only two members, in direct conflict with the minimum number of members required by the articles and by-laws. Also, the jury could readily find from this pattern of activity a fraudulent manipulation of the governing board by Crocker. The eventual votes concerning

disposition of all church assets in Crocker's favor, in which Crocker and Jansen participated, could be readily found to be in conflict with the fiduciary obligations of the board and their duties to the church and its chartered purposes.

At the same time as Crocker was playing his board games, there was ample evidence from which the jury could find that Crocker drove away, expelled, cowed, or neutralized church members who disagreed with him (T. 546, 548, 559-60, 569, 613-14, 622-23, 718-20), leaving him in effective total (Defendant's Exhibits 30, 98, 104, 99, T. Vol. VI) control of the board and a substantial majority of the church membership at the relevant time. This culminated in actions taken to purge and limit the membership roster in December 1989 (Defendants Exhibits 47 and 46, T. Vol. VI). (Note: The issue of who was not a member entitled to vote [if any were] was not challenged at trial by Respondents, to avoid First Amendment problems, since membership per the by-laws was determined on spiritual grounds. The manipulation, not the membership, was the issue (see *e.g.*, T. 546, 548; 559-60, 569)).

Throughout recent years, Crocker had also taken control of church finances. This made it possible for Crocker to create and keep secret the so-called "insurance account," the funds from which Crocker used for his personal benefit without church knowledge or approval (T. 459-64; see Plaintiffs' Exhibit 41, seriatim R. 634-54; 820-48).

On October 3, 1989, Crocker sent a notice to church members of a special meeting to be held October 8, 1989, to consider sale of the church property (Defendants' Exhibit 39, T. Vol. VI). In the letter Crocker represented that

> [T]his sale could make it possible for us to clear all church indebtedness, *with the exception of the parsonage*, and still leave us with enough money to build a new, more functional building in a residential area.
>
> If we keep the building program small like we have at present we should be able to buy new property, build a nice building, increase our Sunday school space, plan for a choir, larger and more practical fellowship hall, and do it without going into debt. We could also plan for a small gymnasium later on where we could develop some badly needed youth programs.
>
> Every church should have a missionary program.... The pastor would like to see *7% of this money* put in a special "missionary trust fund...."

(*Id.* Emphasis added). This is in fact the plan that the church members thought they were voting for when the sale of the church property was approved (T. 565). In fact, however, Crocker had already decided to retire; had planned this as his reason for sale of the property in *early September* because of alleged poor health and declining membership; had already arranged for a real estate commission split for himself; and a buyer was already lined up *before* the October 3 notice of meeting

was ever sent (T. 1298, 1299, 1302, 1303-004). The jury thus could readily find that Crocker intentionally and fraudulently misrepresented the purposes for the sale.

Moreover, when the proceeds of the sale were disposed of, contrary to Crocker's representations of October 3, all debt on the parsonage would be paid off and funds consisting of over 30% of the net proceeds, not 7% (in fact, all funds remaining after other payments to Crocker) would end up in Crocker's control for purported missionary purposes (Defendants' Exhibit 52, T. Vol. VI).

When at one of the meetings of the church concerning sale and disposition of the church property, Crocker was questioned about any real estate commission he would receive, he related that it was not any business of the inquirer (T. 566, 568-69). Thereafter, he would falsify by retyping a purported closing statement so as not to show the amount he would receive ($29,000.00) and misrepresenting the number of realtors involved (compare commission listing on the real estate closing statement, Defendant's Exhibit 87, with the falsified one, Plaintiffs' Exhibit 46, T. Vol. VI).

The final meeting of the church membership was held on February 18, 1990 to finalize disposition of remaining assets, after which the church would be disbanded. Prior to that meeting, a purported board meeting by conference call took place on February 15 between Crocker, Withers, and Jansen. This "board" voted unanimously, and without any abstentions, to give the Crockers a gift of love and affection of $100,000.00; to repair the parsonage and give it debt free to the Crockers; and to allocate the balance of the money

to the control of Crocker and his board for radio, tape, and other missionary work (Defendants' Exhibit 32, T. Vol. VI). The results of this meeting were then presented to the membership on February 18 as an accomplished fact and that their approval or disapproval was not even necessary (T. 546), although approval from the purged and restricted membership was obtained (Defendants' Exhibit 52, T. Vol. VI).

C.
ARGUMENT

I. NO ISSUE OF RELIGIOUS DISPUTE WAS SUBMITTED TO THE TRIAL JURY OR CONSIDERED BY THE STATE COURTS.

Contrary to Petitioners' contentions, as shown by the Statement of Facts, the whole inquiry at trial was whether the actions of Crocker and the church corporation were legitimate corporate actions, as measured by the articles of incorporation, the by-laws, and the governing provisions of Georgia's Non-Profit Corporation Code. Contrary to what Petitioners contend, it was not necessary nor appropriate for the trial court to determine the membership in the church (*see* Petitioners' Brief, A-30 and A-31), and it did not do so. Only two votes of the church membership might have any bearing at all. The membership voted with respect to the approval of disposition of the assets at the final meeting of the corporate membership after which the church was to be disbanded, but the disposition on sale of all or substantially all assets of a non-profit corporation is a determination to be made by the board of directors under the church's articles of incorporation and under

the applicable provisions of corporate law. O.C.G.A. §§14-3-190, 14-3-191. Thus, the membership vote (and membership composition) was not at issue, as indeed the congregation was told. The second vote by the membership (which was an issue) was whether or not there was ratification by the membership of the pastor's appointment of board members in accordance with the articles of incorporation and/or the by-laws, but this matter of voting did not involve the composition of the membership, but only whether there was any vote at all for ratification of the pastor's appointment of the board members who finally acted with him to divert church assets. Thus, no redetermination by the courts of who were or were not members of the church was involved in either decision.

Similarly, the primary focus of the jury in deciding this case was not upon the particular composition of the church board, nor was the jury required or authorized to make any redetermination of that board membership. The issues submitted to the jury under the articles, by-laws, and applicable state law governing corporations were whether the board acting to dispose of church assets was validly selected, and whether the board selected acted fraudulently, in conflict of interest, and contrary to the corporate purposes stated in the articles and otherwise allowable by law.

Similarly, it was not how the assets were to be used, for one religious purpose or another, that the jury was asked to consider; it was only asked to consider the propriety of the manner in which this disposition took place in terms of the articles of incorporation, by-laws, and governing statutory provisions.

Had the church in this case not itself chosen to submit itself to secular standards of organization and government by choosing to become incorporated under the Georgia Non-Profit Corporation Code and enacting required articles of incorporation and by-laws under that Code; and had the church not thereby chosen to be protected by and governed by state law insofar as the propriety of its activity was concerned, then Petitioners' argument might have more merit. (For example, it is indeed doubtful whether inquiry could be made into the decision by the church initially for incorporation versus non-incorporation.) But Petitioners cannot be heard to complain when their actions are measured by the very same standards they themselves chose to be governed by. It is for that reason that Petitioners' reliance upon the quoted portions of the decisions in *Presbyterian Church in the United States v. Mary Elizabeth Blue Hull Memorial Presbyterian Church*, 393 U.S. 440, 89 S. Ct. 601 (1969); *Jones v. Wolf*, 443 U.S. 595, 99 S.Ct. 3020 (1979); and *Serbian Orthodox Diocese v. Milivojevich*, 426 U.S. 696 (1976) on pages 9 through 15 of its brief is inapposite, as is their restatement of much of the law on the same pages relating to congregational churches (which this was not, as Petitioners concede in footnote 7 on page 13 of their brief). The inquiry in this case was not into internal matters of ecclesiastical governance of a church in accordance with its internal law, but rather the measurement of the activities of a non-profit corporation as to its compliance with external statutory standards regulating all corporations of the class of which the church, by its own decision, had become a member. As the Georgia Court of Appeals noted, "Civil courts do not inhibit free exercise of religion by opening their door to disputes involving church property." *Presbyterian Church in the*

United States v. Mary Elizabeth Blue Hull Memorial Presbyterian Church, supra at 449, 89 S.Ct. at _____. Petitioners' Brief, A-5.

As this court noted in *Jones v. Wolf, supra* at 602, 99 S.Ct. at 3025, "[A] state may adopt *any* one of various approaches for settling church property disputes so long as it involves no consideration of doctrinal matters, whether the ritual and liturgy of worship or the tenets of faith." The state has a legitimate interest in resolving church property disputes peaceably and may use its civil forums for that purpose. *Id.* The only limitations imposed by the First Amendment are (1) that the resolution of property disputes cannot be based upon religious doctrine or practice, and (2) the courts must defer to resolution of issues of religious doctrine or polity by the highest court of a hierarchical church organization. *Id.* The instant case did not involve in any way resolution of issues of religious doctrine or polity, nor were any of the decisions made by the lower courts or the jury based upon any religious doctrine or practice, but solely upon corporate documents and governing corporate statutes. No deference to any religious authority is required in any property dispute where there is no doctrinal issue involved. *Jones v. Wolf, supra* at 603, 99 S.Ct. at 3025.

II. THE GEORGIA COURTS HAVE NOT CREATED A "THIRD-CLASS" CATEGORY OF CHURCHES NOR LEFT ANY CHURCHES UNPROTECTED BY THE FIRST AMENDMENT.

Inconsistent with their own argument elsewhere in their brief (Petitioners' Brief, p. 13 n. 7), the facts in this case, and the decision of the Georgia Court of Appeals

(Petitioners' Brief, A-5), Petitioners argue that "[i]ndependent churches such as Petitioners...are by definition congregational churches" (Petitioners' Brief, p. 19), apparently in an attempt to bring this case within the ambit of decisions in Georgia and by this Court, which indicate that inquiries into decisions by church congregations, when such are the governing bodies, are generally precluded. This contention is specious at best and deceptive at worst. Conyers Community Church, Inc. was governed by its Board of Directors, not by the congregation, as determined by the church's own articles of incorporation and by-laws and, as to the disposition of assets in dissolution, since consistent with those documents, the provisions of O.C.G.A. §§14-3-190 and 14-3-191. Measured by those neutral principles, Crocker and his hand-picked board fraudulently diverted assets, since the board was not properly constituted in the first place, the congregational was deceived and misled, and the board acted in conflict of interest and contrary to the corporate purposes stated in the articles of incorporation. Yet Petitioners argue that inquiry into this fraud is constitutionally precluded and amounts to a "redetermination" of church decisions. Nothing in any decision of this court immunizes fraudulent corporate activity from judicial scrutiny by any impenetrable barrier imposed by the First Amendment. *Jones v. Wolf, supra* at 602-03, 99 S.Ct. at 3025-26.

Petitioners' argument that since Conyers Community Church was not hierarchical and was locally controlled, it must be congregational, and therefore immune from inquiry under the neutral principles test, simply begs the question. No Court is going to allow purported corporate officers to effectively steal

property under the guise of religious freedom. Petitioners have simply not shown why in fact or in law the application of the *Jones v. Wolf* standards in this case is constitutionally impermissible, harmful, or wrong.

III. THIS CASE IS NEITHER ONE OF FIRST IMPRESSION, NOR DOES IT INVOLVE FORCING A THEN ACTIVE CHURCH INTO RECEIVERSHIP.

The final meeting of the church resulted in the disbanding of all church membership and effective control of all corporate assets by Kenneth Crocker. The jurisdiction of the trial court was invoked pursuant to O.C.G.A. §14-3-219 to enjoin disposition of the assets and to place them in the effective control of a receiver pending the outcome of the litigation. Respondents alleged that the diversion of assets by Crocker and his purported board of directors was fraudulent and illegal, resulted in the misapplication of those assets, and that the corporation, being functionally disbanded, could not carry out its original corporate purposes. Petitioners have essentially cited no authority here, or in the courts below, that would preclude the state courts, under First Amendment principles or otherwise, from taking steps upon an appropriate showing to prevent the alleged illegal disposition or waste of corporate assets as was done in this case (*see* Petitioners' Brief, A-36 through A-39). *Jones v. Wolf, supra* at 602, 99 S.Ct. at 3024. The receiver was not, as Petitioners contend, selected to "run" a church, since there was no church at this point. Rather, he was instructed to preserve assets.

Petitioners further argue that somehow the "implied trust" theory to prevent a departure from doctrine was improperly used in this case pursuant to

Georgia statute. However, as the Court of Appeals found, and as Respondents had contended in the Court below (Petitioners' Brief, A-9), the doctrine of implied trust related to the allegations of imposing a constructive trust upon the assets in Crocker's hands obtained by fraud and manipulation, not to the assets in the hands of the church, about which assets the decision related only to whether there was a diversion contrary to corporate purposes. And that is the true distinction which Petitioners failed to grasp in this case: Diversion of assets by fraud and manipulation contrary to corporate purposes is entirely distinct from internal church decisions uninfluenced by fraud and manipulation as to the application of those assets in furtherance of one religious doctrine or another. The inquiry in the present case had nothing whatsoever to do with religious doctrine, only with fraud and deception.

CONCLUSION

For all the above and foregoing reasons, Respondents contend that this Court should not exercise jurisdiction in this matter, that a writ of certiorari is inappropriate and should not be issued, and that the application should be denied.

Dated April 1, 1994.

Respectfully submitted,

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APPENDIX

APPENDIX

Appendix I: Corporate purposes stated in Petitioner's Articles Of Incorporation 2a

Appendix II: Table of most relevant state statutes applied under the "Neutral Principles " Test 4a

APPENDIX I

Corporate Purposes Stated In Petitioner's Articles of Incorporation

(a) To establish a biblical Christian church congregation with a Sunday school, literature and educational department and to establish and maintain a world missionary program and all other departments it may deem useful to propagate and practice the full Gospel of Jesus Christ and for its service to the community, and pursuant thereto to license and ordain Christian Workers and Ministers and Missionaries and to plant and establish branch and indigenous churches.

(b) To perpetually protect this local church corporation in its ownership and control of its property and its sovereignty under Christ; therefore, all ecclesiastical power and authority relative to his church and its property shall be exercised by a board of trustees and the decisions thus made are subject to no reversal nor amendment by any other ecclesiastical body whatsoever.

(c) To own, maintain and operate buses, automobiles and airplanes for the transportation of officials, and personnel of the corporation and for the furtherance of the business of said corporation.

(d) To have authority to maintain, publish, print and circulate religious literature.

(e) To do any and everything necessary and proper for the establishment of the object of the corporation, and in general to carry on any lawful business necessary or incidental to the attainment of these objectives.

APPENDIX II

Table Of Most Relevant State Statutes Applied Under The "Neutral Principles" Test

(Petitioner Conyers Community Church was incorporated under the laws of the State of Georgia under the name of "Conyers Community Church, Inc." on December 30, 1976, pursuant to the Georgia Non-Profit Corporation Code, O.C.G.A. §§14-3-20 et seq (previously Ga. Code Ann. §§22-2201 *et seq.*, 1968 Ga. L. 565 *et seq.)*

O.C.G.A. §14-3-180 providing that religious doctrine shall govern as constitutionally required when that doctrine is inconsistent with other provisions of the Corporation Code.

O.C.G.A. §§14-3-21(b) and (d) providing for pension plans, as limited by other Code sections and the articles of incorporation.

O.C.G.A. §14-3-21(b)(2) authorizes the making and alteration of by-laws not inconsistent with the corporation's articles of incorporation.

O.C.G.A. §14-3-21(b)(13) authorizes a non-profit corporation to make donations for religious, charitable, and other such purposes, but provides no authority for gifts to individuals.

O.C.G.A. §14-3-80(a) provides for voting rights and other rights of members in a non-profit corporation and specifies that they shall be only as set forth in the articles of incorporation or by-laws.

O.C.G.A. §14-3-82(a) and (e) provide that voting rights by members shall only be as conferred by the articles and by-laws and where the members have no right to vote, the directors shall have the sole voting power.

O.C.G.A. §§14-3-100 and 14-3-101 provide for management of the corporation by a board of directors initially named in the articles and provide that subsequent board membership shall be as determined by the articles of incorporation or the by-laws.

O.C.G.A. §14-3-103 provides for filling of vacancies on the board of directors as being governed by the articles or by-laws, and providing for a statutory scheme where no provision is made otherwise.

O.C.G.A. §14-3-111(a), obligating a corporation to maintain at its registered office a record of the names and addresses of members entitled to vote.

O.C.G.A. §§14-3-191 and 14-3-190, which provide for the disposition of property and assets of the corporation in the event of sale of all or substantially all of the property; provision for authority to make disposition; and providing for responsibility for decision-making in this regard, depending upon whether the corporation is insolvent or not.

O.C.G.A. §§14-3-191 and 14-3-211 governing notices of special meetings.

O.C.G.A. §14-3-219, empowering the trial court to liquidate assets and enter into the affairs of a non-profit corporation when the actions of those in control of the corporation are legal or fraudulent, to prevent waste, or when the corporation cannot fulfill its purposes.

O.C.G.A. §14-3-220 authorizes the trial courts to issue injunctions and appoint receivers as needed to preserve corporate assets.